

PUBLIC NOTICE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

The South Carolina Department of Health and Human Services (SCDHHS), pursuant to the requirements of Section 1902(a)(13)(A) of the Social Security Act, gives notice of the following proposed actions regarding its methods and standards for paying providers under the State Plan under Title XIX of the Social Security Act Medical Assistance Program (Medicaid).

Effective on or after October 1, 2012, the SCDHHS proposes to amend the South Carolina (SC) Title XIX state plan as follows:

- (1) The agency proposes to eliminate retrospective cost settlements for the following services provided by South Carolina state agencies and any other non state owned governmental provider or private provider which provides the service and are eligible to receive retrospective cost settlements and/or payment caps in accordance with the current payment methodology:

Preventive Services for Primary Care Enhancement and
Rehabilitative Services for Primary Care Enhancement -
(Palmetto Health Richland, Florence Crittenton Programs of SC,
Greenville Hospital System, James R Clark Sickle Cell, and SC
Department of Health and Environmental Control);

Clinic Services (SC Department of Mental Health and Medical
University of South Carolina);

Family Intervention/Early Intervention Services (SC Department
of Disabilities and Special Needs and SC School for the Deaf
and Blind);

Special Needs Transportation (SC Department of Education);

Individual state agency payment rates will be developed based upon the provider's most recently filed cost report and closely approximate allowable Medicaid costs or the maximum payment rate cap as allowed in accordance with the current state plan payment methodology.

- (2) The agency proposes to eliminate retrospective cost settlements on all Home Health providers (including state government owned providers) effective for services provided on and after October 1, 2012. Prospective payment rates will be developed for each provider based upon its most recently filed cost report in accordance with the current payment methodology outlined in Attachment 4.19-B of the South Carolina Medicaid State Plan.

The Department proposes to implement the above actions in order to encourage providers to implement efficiencies within the service programs they administer and reimburse providers on a prospective basis. However, while the retrospective cost settlement process will no longer be applicable for services provided on or after October 1, 2012, the Department will continue to ensure that reimbursement for services rendered by state owned governmental providers will not exceed cost when certified public expenditures are used as the source of state matching funds,

In addition to the proposed state plan changes, the Department proposes to eliminate retrospective cost settlements for waiver programs administered by the SC Department of Disabilities and Special Needs for services provided on or after October 1, 2012.

The Department estimates that these actions will have a minimal impact on annual Medicaid expenditures since the prospective payment rates will closely approximate current costs, which will be established at currently defined reimbursement levels of allowable costs or the maximum payment rate cap.

Copies of this notice are available for public review at each County Department of Health and Human Services Office. Additional information regarding these actions is available upon request at the address cited below.

Written comments may be sent to the Division of Ancillary Reimbursements, Department of Health and Human Services, Post Office Box 8206, Columbia, South Carolina 29202-8206. Written comments must be received by September 26, 2012. Comments can also be submitted to comments@scdhhs.gov.

Any written comments submitted may be reviewed by the public at the Department of Health and Human Services, Division of Ancillary Reimbursement, Klondike Building, Suite K137, 1813 Main Street, Columbia, South Carolina, Monday through Friday between the hours of 9:00 A.M. and 5:00 P.M.

Anthony Keck
Director
Department of Health and Human Services